

5. MGW meets no less than 90% of installation and repair commitments, per calendar month, as set forth by the SCC of Virginia.

6. MGW does not exceed a 0.35% central office trouble report rate as set forth by the SCC.

Consumer Protection

MGW Telephone Company is committed to maintaining privacy of customer information. In addition to protecting personal information, the company is obligated to give additional protections to information on how customers use their services. MGW Telephone Company follows all requirements the FCC has mandated concerning Customer Proprietary Network Information (CPNI). As required, MGW files annual CPNI compliance certifications with the FCC by March 1 each year.

MGW Telephone Company also has an identity theft prevention program in place to comply with Red Flag Identity Theft prevention rules. This program ensures that no information pertaining to our customers is compromised and that information from new customers is accurate.

All MGW employees are required to attend annual classes on privacy, CPNI, and Identity Theft Prevention rules and procedures.

REDACTED – FOR PUBLIC INSPECTION

(708) Price Offerings including Voice Rate Data
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010> Study Area Code	190236
-----------------------	--------

<015> Study Area Name	MGW TEL. CO. INC.
-----------------------	-------------------

<020>	Program Year	2016
-------	--------------	------

<030> Contact Name - Person USAC should contact regarding this data Sheri H Smith

<035>	Contact Telephone Number - Number of person identified in data line <030>	5409255235 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	aberihamithangw.net.com

<701> Residential Local Service Charge Effective Date 1/1/2015

<702> Single State-wide Residential Local Service Charge

<703>

[illegible]

REDACTED – FOR PUBLIC INSPECTION

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	190238
<015>	Study Area Name	MCW TEL. CO. INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Sheri H Smith
<035>	Contact Telephone Number - Number of person identified in data line <030>	5409255235 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sherihsmith@mcwnet.com

[illegible]

REDACTED – FOR PUBLIC INSPECTION

(900) Operating Companies
Data Collection Form

FCC Form 491
OMB Control No. 3060-0986 / OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	190238
<015>	Study Area Name	MGW TEL. CO. INC.
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Sheri H Smith
<035>	Contact Telephone Number - Number of person identified in data line <030>	5409255235 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	sherihsmith@gmwnet.com
<810>	Reporting Carrier	MGW Telephone Company, Inc
<811>	Holding Company	MGW Communications, Inc.
<812>	Operating Company	MGW Telephone Company, Inc.

[illegible]

MGW Telephone
Voice Services Rate Comparability
Line 1010

The FCC released a Public Notice on April 16, 2015 (DA 15-470) which listed the urban average rate as \$21.22 for residential customers. The same Public Notice listed the rate that is a reasonably comparable benchmark at \$47.48.

MGW Telephone charges all residential customers \$16.00 plus a federal Subscriber Line Charge of \$6.50 for monthly service with unlimited local calling. The total of these charges is \$22.50 which is less than the reasonably comparable benchmark of \$47.48.

Because of this, MGW Telephone is able to certify that its pricing of fixed voice service is no more than two standard deviations above the applicable national average urban rate for voice service.

MGW Telephone
Lifeline Terms and Conditions
Line 1210

As a state regulated wireline carrier, MGW Telephone offers Lifeline service in accordance with FCC rules and terms and conditions in its tariff. The terms and conditions of the tariff are included at the end of this file.

Minutes of Use

Each Lifeline customer has unlimited local usage and is able to make local calls at no additional charge. Each Lifeline customer is also able to receive unlimited local and long distance calls at no additional charge.

Toll Charges

Each Lifeline customer is able to receive toll blocking to avoid incurring unexpected toll charges. In the event the customer would like to make toll calls then the customer is able to choose which long distance company they would like to use and then choose which rate plan is best for them.

GENERAL CUSTOMER SERVICES TARIFF
MGW Telephone Company

Section 18
Revision 2 Sheet 1

VIRGINIA UNIVERSAL SERVICE PLAN (VUSP)

1. General

The Virginia Universal Service Plan (VUSP) is designed to assist qualified residential customers to subscribe to and retain Local Exchange Service. The VUSP consists of the Lifeline Assistance Program.

2. Regulations

A.

(D)

- B. Customers must be certified by the appropriate state agency that they participate (C) in one of the following programs: Medicaid; Supplemental Nutrition Assistance Program (SNAP), formerly known as food stamps; ** Supplemental Security Income (SSI); Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program (LIHEAP); National School Lunch Program's free lunch program; Temporary Assistance for Needy Families (TANF); or, be able to provide proof of household income which is at or below 135% of the annual Federal Poverty Guidelines for all States. Certification will be based in accordance with Federal Communications Commission rules found in CFR § 54.401(c). Such certification must be provided to the Company.

(C)

- C. Lifeline Assistance will continue to be provided to a customer only as long as a customer meets the qualification criteria outlined above. The continuation of qualification for Lifeline Assistance must be re-certified every 12 (C) months for customers, following the establishment of the Lifeline Assistance. Without such re-certification, the customer's assistance will be discontinued.

- D. When the Company receives notice from the appropriate state agency, or the customer, that the customer is no longer meeting the qualification criteria above, the Company will then notify the customer that the assistance will be discontinued or changed to another class of residential service.

(M)

(M)

(M)

** Qualification criteria in addition to the VUSP are due to FCC rules.

(M) Material previously appearing on this Sheet now appears on Sheet 2.

Issued: July 18, 2012

Effective: August 1, 2012

By: R. Craig Smith, President, Williamsville, Virginia

GENERAL CUSTOMER SERVICES TARIFF

MGW Telephone Company

Section 18
Revision 2 Sheet 2

VIRGINIA UNIVERSAL SERVICE PLAN (Cont'd)

2. Regulations (cont'd)

- E. A VUSP Service customer, nor any other member of the household, may
(M)
not subscribe to any other form of Local Exchange Service on the same premises.
- F. As a participant in the Lifeline Assistance, customers are eligible to receive Toll Restriction at no charge. This service is provided at the customer's request.
(M)
- G. Customers eligible for Lifeline Assistance are not required to pay a deposit if the customer does not owe the Company for previous service and the customer voluntarily receives Toll Restriction Service. Lifeline Assistance will not be connected if an outstanding balance is owed by the customer for local service.
- H. Customers qualifying for VUSP service in order to obtain toll service may make the required deposit in four successive monthly installments.
- I. Participants in Lifeline Assistance shall not be disconnected from Local Service for non-payment of toll charges, but may be required to use toll restriction. In addition, the Company will not deny re-establishment of local services to

customers who are eligible for Lifeline Assistance and have previously been disconnected for non-payment of toll charges, provided they reply for toll restriction.

- J. Partial Payments that are received from Lifeline Customers will first be applied to local service and then to any outstanding toll charges.
- K. If a customer on Lifeline Assistance is no longer qualified for assistance, no service charges apply for changing to a Residence Local Exchange Access line normally provided to the customer's premise.

(M) Material now appearing on this Sheet previously appeared on Sheet 1.

Issued: July 18, 2012

Effective: August 1, 2012

By: R. Craig Smith, President, Williamsville, Virginia

GENERAL CUSTOMER SERVICES TARIFF

MGW Telephone Company

Section 18
Revision 2 Sheet 3

VIRGINIA UNIVERSAL SERVICE PLAN (Cont'd)

3. Credits

Life Line Assistance

The credit allowed for Lifeline Assistance will be as established by the Federal
(C) Communications Commission.
(C)

Issued: July 18, 2012

Effective: August 1, 2012

By: R. Craig Smith, President, Williamsville, Virginia

MGW Telephone Company
GENERAL CUSTOMER SERVICES TARIFF

Section 18
Revision 2 Sheet 4

VIRGINIA UNIVERSAL SERVICE PLAN (cont'd)

3. Credits (Cont'd)

The following credit will apply for each customer eligible for Lifeline Assistance:

- | | |
|-------------------|--------|
| 1. Federal Credit | \$9.25 |
| (C)(R) | |

Adjustments

Adjustments to these credits may be made as required by regulatory agencies for cost recovery.

Issued: July 18, 2012

Effective: August 1, 2012

By: R. Craig Smith, President, Williamsville, Virginia

MGW Telephone
Milestone Certification
Line 3010

Certification

During 2014, MGW Telephone Company certifies that it took reasonable steps to provide broadband service at actual speeds of at least 4 Mbps downstream and 1 Mbps upstream upon reasonable request. Because of continued improvements to the network, MGW is now able to provide higher speeds to most customers.

Services are provided with latency suitable for real-time applications, including Voice over Internet Protocol. Customers receive an unlimited capacity each month

MGW Telephone
Data on Community Anchor Institutions
Line 3012

Certification

During 2014, MGW Telephone started providing broadband to the following new community anchor institutions.

Number Of Locations	Name	Address
1	[REDACTED] [REDACTED]	[REDACTED]
1	[REDACTED] [REDACTED]	[REDACTED]

REDACTED-FOR PUBLIC INSPECTION
Elmore, Hupp & Company, P.L.C.

Certified Public Accountants

*Jon D. Jencks
Michael A. Marrin*

*P. O. Box 2607
Staunton, VA 24402-2607*

*American Institute of
Certified Public Accountants*

*Steven E. Stroop • Of Counsel
Kenneth L. Elmore • Retired
R. G. Hupp • 1946 - 2008*

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Fax • (540) 885-6806*

*Virginia Society of
Certified Public Accountants*

www.elmorehupp.com

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
MGW Communications, Inc.
Williamsville, Virginia

We have reviewed the accompanying consolidated balance sheets of MGW Communications, Inc., and Subsidiaries (a corporation) as of December 31, 2014 and 2013, and the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the consolidated financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying

consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our reviews were made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The additional information for the years ended December 31, 2014 and 2013 included in the balance sheets and statements of income of MGW Telephone Company, Inc. and MGW Networks, L.L.C. and Subsidiary are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the reviews of the basic consolidated financial statements, and we did not become aware of any material modifications that should be made to such information.

EMORE, HUFF & COMPANY, P.C.

Staunton, Virginia
March 24, 2015

REDACTED-FOR PUBLIC INSPECTION
 MOW COMMUNICATIONS, INC., AND SUBSIDIARIES
 BALANCE SHEETS OF MOW TELEPHONE COMPANY, INC.
 December 31, 2014 and 2013

ASSETS		LIABILITIES AND STOCKHOLDER'S EQUITY	
	2014	2013	
CURRENT ASSETS			CURRENT LIABILITIES
Cash - general funds			Accounts payable:
Accounts receivable:			Trade
Trade, net of allowance			Related party
for doubtful accounts,			Customer deposits
for 2014 and 2013			Advance billings
Related party			Accrued expenses
Marketable securities			Deferred income taxes
Materials and supplies			
Property held for sale or lease			TOTAL CURRENT LIABILITIES
Prepaid expenses			
TOTAL CURRENT ASSETS			DEFERRED INCOME TAXES
INVESTMENT IN NON-PUBLIC COMPANY			STOCKHOLDER'S EQUITY
			Capital stock:
			Common, stated value per share,
			authorized
			2014 and 2013
			Additional paid-in capital
PLANT, PROPERTY AND EQUIPMENT			Retained earnings
Plant in service			Accumulated other
Less depreciation allowance			comprehensive income:
			Unrealized gains on securities

See independent accountant's review report.
 21

REDACTED-FOR PUBLIC INSPECTION

MGW COMMUNICATIONS, INC., AND SUBSIDIARIES
 STATEMENTS OF INCOME OF MGW TELEPHONE COMPANY, INC.
 Years Ended December 31, 2014 and 2013

	2014	2013
OPERATING REVENUES		
Basic local network services		
Network access services		
Long distance services		
Miscellaneous		
Uncollectible revenues		
OPERATING EXPENSES		
Plant specific operations		
Plant nonspecific operations		
Depreciation and amortization		
Customer operations		
Corporate operations		
Other operating taxes		
OPERATING LOSS		
OTHER INCOME (EXPENSE)		
Interest income		
Dividends		
Interest expense		
INCOME TAX BENEFIT		

See independent accountant's review report.